

**CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY  
COMMUNITY CLINIC EQUIPMENT GRANT PROGRAM OF 2005**

**INITIATE THE PROCESS TO ADOPT REGULATIONS**

**Resolution No. 2005-06**

**March 30, 2005**

**BACKGROUND:**

As a result of the Anthem-WellPoint merger, WellPoint has agreed to provide \$35 million to be used for improvement of the healthcare infrastructure to non-profit community based clinics serving low-income healthcare consumers. In addition, WellPoint has entered into an agreement with the California State Department of Insurance to provide this funding.

The Authority has received the \$35 million contribution provide by WellPoint. The California Insurance Commissioner (“Commissioner”) has agreed to have the Authority solely administer the new Grant Program. Per the written agreement dated February 10, 2005, the Authority has 120 days from the receipt of the \$35 million to adopt regulations for this new Grant Program. The draft regulations shall be provided to the Commissioner, prior to the final adoption by the Authority’s Board.

The **initial** draft of the regulations are attached.

**RECOMMENDATION:**

Staff recommends the Authority approve the initial process to adopt regulations for the new Grant Program.